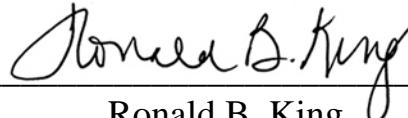




Signed November 27, 2012.



Ronald B. King  
United States Chief Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION**

In re:

TXCO RESOURCES, INC., *et al.*,

Debtors.

CHAPTER 11

CASE NO. 09-51807-rbk

JOINTLY ADMINISTERED

---

TXCO RESOURCES, INC.,

Plaintiff,

v.

PEREGRINE PETROLEUM, L.L.C.,

Defendant.

§ ADVERSARY

§ NO. 09-05125-rbk

**MEMORANDUM REGARDING THE  
JOINT MOTION TO VACATE JUDGMENT AND OPINION  
OF THE BANKRUPTCY COURT**

CAME ON, for consideration, the Joint Motion of PEREGRINE PETROLEUM, L.L.C. (“Peregrine”) and REORGANIZED TXCO RESOURCES, INC., as successor in interest to TXCO Resources, Inc. (“RTXCO”), to Vacate Judgment and Opinion of the Bankruptcy Court (“Joint Motion to Vacate”). As indicated in the Joint Motion to Vacate, the Court presently lacks

jurisdiction to grant the FED. R. CIV. P. 60(b) relief sought therein, due to the pendency of the parties' Appeal and Cross-Appeal in the United States District Court for the Western District of Texas ("District Court"). However, pursuant to well-established procedures approved by the United States Court of Appeals for the Fifth Circuit and nearly all other circuit courts of appeals, and as set out in the Joint Motion to Vacate and the authorities cited therein, this Court does have authority to indicate, and does hereby indicate for the record, that it would grant the Joint Motion to Vacate if the District Court were to remand Cause No. 5:12-cv-01058-OLG for the limited purpose of vesting this Court with jurisdiction to consider and rule on such motion.

# # #

**APPROVED AS TO FORM AND SUBSTANCE:**

LANGLEY & BANACK, INC.  
745 East Mulberry, Suite 900  
San Antonio, TX 78212  
Telephone: (210) 736-6600  
Facsimile: (210) 735-6889

By: /s/ Bruce K. Spindler  
BRUCE K. SPINDLER  
State Bar No. 18947050  
SARA MURRAY  
State Bar No. 14729400  
DAVID S. GRAGG  
State Bar No. 08253300  
DAVID M. EVANS  
State Bar No. 24032163

**ATTORNEYS FOR  
PEREGRINE PETROLEUM, L.L.C.**

**- AND -**

COX SMITH MATTHEWS INCORPORATED  
112 East Pecan Street, Suite 1800  
San Antonio, TX 78205  
Telephone: (210) 554-5500  
Facsimile: (210) 226-8395

By: /s/ Deborah D. Williamson

DEBORAH D. WILLIAMSON

State Bar No. 21617500

JAMES M. TRUSS

State Bar No. 00797577

ELLEN B. MITCHELL

State Bar No. 14208875

MEGHAN E. BISHOP

State Bar No. 24055176

**ATTORNEYS FOR  
REORGANIZED TXCO RESOURCES, INC.**